

NJ Environmental Infrastructure Financing Program

INTENDED USE PLAN UPDATE **CLEAN WATER & DRINKING WATER SRFs**

Scott Shymon, Chief, BCPA
Municipal Finance and Construction Element
Division of Water Quality
New Jersey Department of Environmental Protection

Scott Shymon – Scott.Shymon@dep.nj.gov
Thomas Andresen – Thomas.Andresen@dep.nj.gov

Clean Water Council
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NJ Environmental Infrastructure Financing Program

Financing Program Partnership –DEP/NJEIT Provides low interest loans for Water Infrastructure

- **DEP** – provides interest-free loans and principal forgiveness loans
Performs Environmental and Engineering Review functions
- **NJEIT** – provides market-rate loans (from tax-exempt bonds)
Performs financial, credit and legal and administrative functions

- Provides low-cost loans and other funding to a wide variety of wastewater, stormwater and drinking water projects
- The Clean Water SRF was established in 1988 and typically has between \$250-\$400 million available annually to finance projects
- The DWSRF in 1998 with about \$100M available per year
- **Project readiness** is the major factor to determine when a project can get approved and secure financing

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Intended Use Plan Update

- Schedule: CW and DW IUP Proposals were usually sent out in August annually (to announce the October deadline)
- This year, Proposals scheduled to be sent out in October or November

MAJOR CHANGES/GOALS-

- Combine the CW and DW IUPS into one document
- Increase Readability and Decrease Redundancies
- Make it Web-Friendly (More Pictures/Links)
- Highlight Four Key Areas:
 - Open (Rolling) Application & PPL Update Process
 - Clear Listing of Eligible Project Types
 - Explanation of the Loan Types
 - Funding Package with "Savings Calculator"

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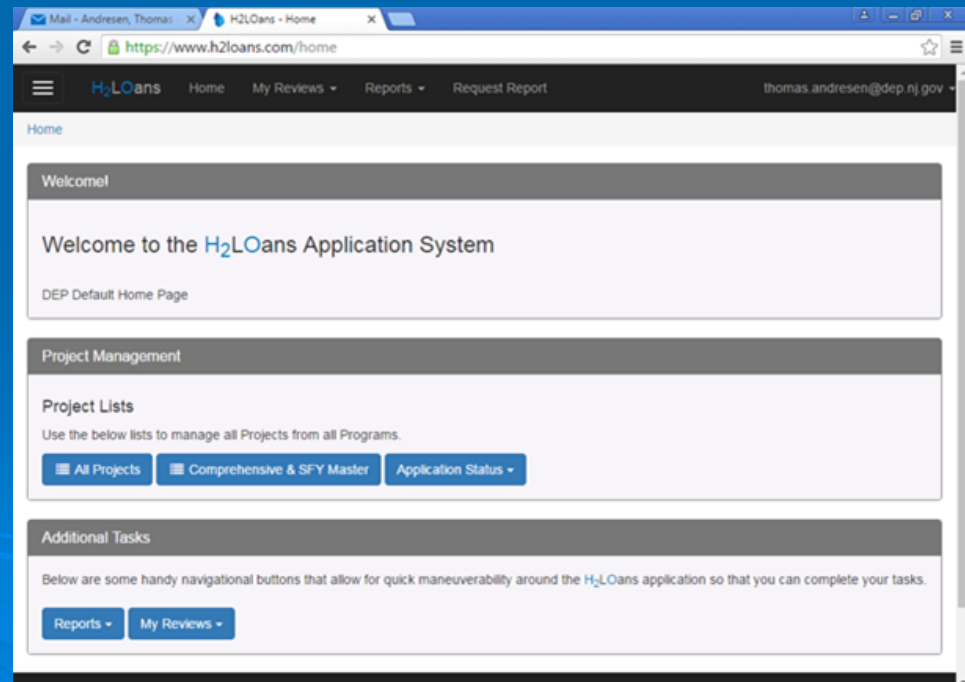


IUP UPDATE – Rolling Applications

No longer any deadline for Loan Applications. They can now be submitted anytime throughout the year.

The first step will continue to be a commitment by the project sponsor (also known as a Letter-of-Intent); which is made through your user account at <https://www.h2loans.com/app/>.

IUP will establish a process through which the CW and DW Project Lists is updated and published several times throughout the calendar year so that new Project applications are listed on an IUP list before approved/funded



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Eligible Clean Water Projects

- Wastewater Infrastructure: Includes the construction of new facilities and/or the rehabilitation or repair of collection, conveyance and treatment facilities
- Stormwater Management: Includes the repair of existing municipally-owned systems and installation of Green Infrastructure Best Management Practice (BMP) measures
- Non-Point Source (NPS) Pollution Control: A broad category of projects that includes landfill closures, site remediation and other activities that help to protect or maintain water quality.



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Eligible Drinking Water Projects

- Water Treatment Improvements: Includes the construction of new facilities and/or the rehabilitation or repair of existing treatment facilities
- Water Distribution System Improvements: Includes the repair or replacement of old, inadequate water mains and pump stations as well as the extension of water mains to serve new users and water meter replacements
- Other Eligible DW Projects: This category includes test wells, replacement wells, and storage tank painting/repairs or other new construction that helps to protect public health

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IUP UPDATE – Loan Types



Short-Term Loans-

1. Planning and Design Loans – Allowance or Actual
2. CSO Long-Term Control Plan Loans
3. Emergency Loans
4. Construction Loans

Long-Term Loans-

Primarily used to convert or bundle ST Loans after construction has started

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IUP UPDATE – Funding Packages

SRF Funding Package

Primarily 75% DEP interest-free financing/25% NJEIT market rate financing

Clean Water: Opportunities for Principal Forgiveness Loans (CSO-Green Technologies and Barnegat Bay) and 100% DEP interest-free financing (Combined Sewersheds only) with 50/50 Financing for Conduit Projects

Drinking Water: Offers special financing package with PFLs for small systems serving less than 10,000 customers

Sandy SRF Package

19% Principal Forgiveness/56% DEP interest-free financing/25% NJEIT market rate financing

Subject to available funds, the Sandy CWSRF package may continue to be available for projects in SFY17



Questions?

**Eugene Chebra, P.E., Assistant Director
Municipal Finance and Construction Element**

Eugene.Chebra@dep.nj.gov

Scott Shymon, Bureau Chief

Bureau of Construction, Payments and Administration, MFCE

Scott.Shymon@dep.nj.gov

Gautam Patel, Bureau Chief

Bureau of Environmental, Engineering and Permitting Reviews

Gautam.Patel@dep.nj.gov

**NJ Department of Environmental Protection
Municipal Finance and Construction Element**

(609) 292-8961

<http://www.nj.gov/dep/dwq/mface.htm>